# GOVERNMENT OF INDIA
# PLANNING
# LOK SABHA

UNSTARRED QUESTION NO:6834
ANSWERED ON:11.05.2005
REDUCTION IN ALLOCATION TO STATES
Bhargav Shri Girdhari Lal

**Will the Minister of PLANNING be pleased to state:**

(a) whether the amount under the assistance scheme to States is slashed/reduced in proportion to the unspent part of funds released to them against the scheme`s fund allocations made to them over the previous year;

(b) If so, the grounds on which this is done;

(c) whether the scheme limits for States are decided by the Planning Commission on the basis of available/estimated resources;

(d) whether it is a fact assistance scheme to the States is not related with the size of the scheme; and

(e) if so, the reasons therefor?

## Answer

MINISTER OF STATE IN THE MINISTRY OF PLANNING (SHRI M.V. RAJASEKHARAN)

(a) to (d): Since each scheme for Central Assistance to State Plans has its own specific Guidelines/Criteria, allocations and releases of Central Assistance for schemes are primarily governed by the relevant Guidelines/Criteria. Moreover, allocations and releases of Central Assistance under various schemes for the Annual Plans of States are based on a wide variety of factors. In addition to Gross Budgetary Support (GBS) to Plan based on overall resource availability of the Centre, other factors include Utilization Certificates, periodic reviews in the Planning Commission on the progress in implementation of schemes, assessments based on State specific priorities of schemes, absorption capacity and changes in national priorities.

(e): Does not apply.